

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
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**FISCAL IMPACT STATEMENT**

**LS 7881**

**BILL NUMBER:** SB 375

**DATE PREPARED:** Apr 10, 2001

**BILL AMENDED:** Apr 9, 2001

**SUBJECT:** Community Residential Facilities Council; FSSA Expiration.

**FISCAL ANALYST:** Kathy Norris

**PHONE NUMBER:** 234-1360

**FUNDS AFFECTED:** X GENERAL  
DEDICATED  
FEDERAL

**IMPACT:** State

STATE IMPACT	FY 2001	FY 2002	FY 2003
State Revenues			
State Expenditures		6,000	6,000
Net Increase (Decrease)		(6,000)	(6,000)

**Summary of Legislation:** (Amended) This bill extends the current administrative structure of the Office of the Secretary of Family and Social Services (FSSA) until July 1, 2004. (Current law provides for the expiration of the administrative structure on July 1, 2001.) The bill changes the membership and meeting procedure of the Community Residential Facilities Council. The bill requires Council approval of an entity providing supported living services. It also allows the Council to issue a provisional license or provisional approval for up to six months to a supervised group living facility or an entity that provides supported living services. The bill provides transitional authority for a supervised group setting that is converting to a supported living setting to operate as a supported living setting under certain conditions.

**Effective Date:** (Amended) June 30, 2001; July 1, 2001; July 1, 2002.

**Explanation of State Expenditures:** (Revised) The bill adds three lay members to the Community Residential Facilities Council, increasing its total membership to 13. The bill also allows the Council to meet more frequently than the required quarterly meeting if necessary, but no more frequently than once each month. The Council is composed of State employees and lay members. Council members who are not State employees are eligible to receive travel expenses and a salary per diem of \$50. The increased membership and the additional meetings may increase the Council's administrative expenses by approximately \$6,000 annually. The additional resources required by the bill can be absorbed within the current level of funding

provided for the Residential Facilities Council from the Developmentally Disabled Client Services appropriation.

The Council is staffed by the Division of Disability, Aging, and Rehabilitative Services. It is anticipated that the additional administrative work resulting from an increase in the frequency of meetings will be absorbed within the existing staff level.

It is not known at this time whether the addition of supported living service providers as an entity that must receive Council approval for supported living services will require an increase in agency licensing/approval staff.

This bill also extends the expiration date of the administrative structure of FSSA to July 1, 2004. The FSSA administrative offices affected are:

- (1) The Office of the Secretary of Family and Social Services.
- (3) The Office of Medicaid Policy and Planning.

The bill also extends to July 1, 2004, the expiration date of a statute that governs procedures of Family and Social Services Advisory Councils and the expiration date of statutes that relate to certain powers of the directors of the following divisions:

- (1) Disability, Aging, and Rehabilitative Services.
- (2) Family and Children.
- (3) Mental Health.

This bill will continue the administrative structure of FSSA as it currently exists. Depending upon the actions of the administration, failure to pass this bill, in practice, would not necessarily have an immediate fiscal impact. Upon its statutory expiration on July 1, 1999, FSSA was extended by the Governor's executive order. In lieu of passage of this bill or a continuation of the executive order, if the positions were able to be absorbed or reallocated under the existing appropriations, any potential fiscal impact from the termination of these entities would more likely arise from the loss of rule-making authority vested in these positions by statute.

The bill also provides for a transitional period of one year for the conversion of an active treatment supervised group living setting to a supported living service provided that the conversion has been approved by the Bureau of Developmental Disabilities Services. FSSA reports that this conversion program is required by the Health Care Financing Administration, (HCFA).

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Family and Social Services Administration, Division of Disability, Aging, and Rehabilitative Services.

**Local Agencies Affected:**

**Information Sources:** JV22- 2001; Auditor of State, Object Trial Balance for FY 1997, 1998,1999,2000.

Indiana Medicaid Program, Home and Community-Based Services Waiver Programs, Provider Manual.  
Effective Date: October 1, 1994.

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